

MARYLAND AUTOMOBILE DEALERS ASSOCIATION SPRING 2016

*PRESENTED BY THE MARYLAND MOTOR
VEHICLE ADMINISTRATION COMMITTED TO
SAFETY, SERVICE AND YOU*



WHAT'S HAPPENING AT THE MVA?

- Legislation
- Coming Soon
- Recent Bulletins
- What We Want You To Know
- What ERT Dealers “Can” Do & “Can’t” Do
- Dealer Audits Tidbits
- Questions

2016 LEGISLATION

- HB922 Vehicle Laws – Application – Park Model Recreational Vehicles – Definition
- HB805 \ SB774 Motor Vehicles – Autocycles – Standards and Requirements
- HB912 \ SB888 Motor Vehicle Insurance – Program to Incentivize and Enable Uninsured Vehicle Owners to Be Insured
- HB58 Vehicle Laws – Historic Motor Vehicles – Authorized Uses and Inspections
- HB253 /SB309 Motor Vehicle Registration - Exception for Golf Carts - City of Crisfield
- HB525 Vehicle Laws - Manufacturers and Dealers
- HB675 Vehicle Laws - Mechanical Repair Contracts
- HB720 / SB544 Motor Vehicle Insurance – Insurance Identification Card – Carrying Proof of Coverage – Uninsured Motorist Education and Enforcement Fund
- HB986 Vehicle Laws - Trade-In Allowance - Leased Vehicles
- HB1179 Vehicle Laws – HOV Lanes – Plug-In Electric Drive and Hybrid Vehicles

HB 922 – PARK MODEL AND RECREATIONAL VEHICLES

- Establishes a definition under Maryland Vehicle Law for Park Model Recreational Vehicle and also places a Park Model Recreational Under the definition of Travel Trailer
 - Is designed and marketed as temporary living Quarters for recreational, camping, travel, or seasonal use;
 - Is not permanently affixed to real property for use as a permanent dwelling;
 - May require a special permit for highway use;
 - Is built on a single chassis mounted on wheels;
 - Has a gross trailer area not exceeding 400 square feet in the set up mode; and
 - Is certified by the manufacturer as complying with American National Standards Institute A119.5 Standard for Recreational Park Trailers.
- **Effective June 1, 2016**

HB805 \ SB774 MOTOR VEHICLES - AUTOCYCLES - STANDARDS AND REQUIREMENTS

- **This bill establishes a definition for Autocycle in Maryland Vehicle Law, specifies an Autocycle is included in the definition of motorcycle, indicates the type of driver license required to drive an Autocycle, requires safety inspection, and mandates accident reports to distinguish and Autocycle from a motorcycle.**
 - An “Autocycle” is defined in article § 11-103.3 of Maryland Vehicle Law as follows:
 - Has two (2) front wheels and one (1) rear wheel;
 - Has a steering wheel; Has permanent seats on which the operator or a passenger is not required to sit astride;
 - Has foot pedals to control acceleration, braking, and if applicable, a clutch;
 - and Is manufactured to comply with Federal Safety Standards for motorcycles.
 - A motorcycle plate will be issued to an Autocycle. It will be registered as a class **D**, with **AU** in the body style, and **A** in the exception field. The word Autocycle will print on the registration card.
 - Autocycle Certification form VR-339
 - Autocycles, if sold brand new, may be sold by a licensed new car dealer or a motorcycle dealer who holds a franchise for that particular make of vehicle.
 - Autocycles operators must possess a valid class A, B or C driver’s license. If a person only has a class M, motorcycle driver license, they “are not authorized to drive an autocycle.” Helmets must be worn, unless the vehicle is has an enclosed cab. Eye protection must be worn unless the vehicle has a windshield. An applicant “may not use an Autocycle in a driving test”.
 - **Effective July 1, 2016**

HB912 \ SB888 MOTOR VEHICLE INSURANCE – PROGRAM TO INCENTIVIZE AND ENABLE UNINSURED VEHICLE OWNERS TO BE INSURED

- This bill requires the Motor Vehicle Administration (MVA) to establish a program that will provide an incentive and enable uninsured vehicle owners to become insured. Using the specified eligibility guidelines, the MVA will send notification to those vehicle owners who qualify, advising them that a certain portion of their delinquent uninsured vehicle penalties may be waived if certain conditions are met. The MVA must coordinate with the Maryland Insurance Administration to publicize the program. The program period is up to 90 days and will begin no earlier than January 1, 2017 and end no later than December 31, 2017.
 - When the program begins, the MVA shall:
 - Waive a portion of delinquent uninsured vehicle penalties on vehicle owners, and
 - As a condition of waiving portion of these fees will require the vehicle owner to purchase and maintain the required insurance on their vehicles.
 - A vehicle owner is eligible if they:
 - Are a resident of the State;
 - Do not have the required security on their vehicle;
 - Have delinquent uninsured vehicle penalties that became delinquent before January 1, 2014; and
 - Have not been issued a judgement by the Central Collection Unit.
 - The MVA will notify vehicle owners who may be eligible at their last known address.
 - As a condition of waiving a portion of the delinquent fees, the owner will be required to purchase and maintain the required security for a period of at least 6 months. However, if the waiver amount exceeds \$3,000, the MVA may require the required security be maintained for at least 1 year.
 - **Effective July 1, 2016**

HB58 VEHICLE LAWS - HISTORIC MOTOR VEHICLES - AUTHORIZED USES AND INSPECTIONS

- **This alters the use and prohibited uses of historic vehicles to which a historic vehicle owner will need to certify on application for a historic vehicle registration. The bill also limits the exemption for inspection of certain historic motor vehicles.**
- Historic vehicles registered under 13-936 to the Maryland Vehicle Law may use their vehicles in exhibitions, club activities, parades, tours, and occasional transportation. They “will not” be used for employment, transportation to and from employment or school, or for commercial purposes.
- If a Maryland resident acquire a historic vehicle that is a model year 1986 or newer, will require a Maryland Safety Inspection. A 30 day Temporary tag may be issued, if needed.
- Class L historic vehicle with a model year of 1985 or earlier, will not be required to have a Maryland safety inspection.
- If a Maryland resident acquire a historic vehicle that is a model year 1986 or newer, will require a Maryland Safety Inspection. A 30 day Temporary tag may be issued, if needed. However, class L historic vehicle with a model year of 1985 or earlier, will not be required to have a Maryland safety inspection.
- Current Maryland vehicle owners with historic registration may continue to renew and use their vehicle without obtaining a Maryland Safety Inspection. However, once transferred to someone other than immediate family, a Maryland Safety inspection will be required.
- The Application for Historic or Street Rod Registration (form VR-096) have been modified and will be available online October 1st.
- **Effective October 1, 2016**

HB253 /SB309 MOTOR VEHICLE REGISTRATION - EXCEPTION FOR GOLF CARTS - CITY OF CRISFIELD

- **The bills allow an exception from motor vehicle registration requirements under certain circumstances for golf carts in the City of Crisfield.**
- A person may operate the golf cart only on a highway:
 - That is not designated or maintained as a part or an extension of the State or Federal Highway System; and
 - On which the maximum posted speed limit does not exceed 35 miles per hour,
 - between dawn and dusk,
 - and if the golf cart is equipped with lighting devices approved by the State Highway Administration. The operator of the golf cart shall keep it as far to the right of the roadway as feasible and
 - shall possess a valid driver license.
- **Effective October 1, 2016**

HB525 VEHICLE LAWS - MANUFACTURERS AND DEALERS

- **This bill alters the conditions under which a motor vehicle dealer's failure to comply with certain requirements constitutes grounds for denial of a certain claim or reduction in the amount of compensation; prohibits a motor vehicle manufacturer, distributor, or factory branch from taking actions against a dealer for providing certain information to certain persons; specifies that a dealer may provide certain information only to a certain customer; prohibits a manufacturer from taking action against a dealer for performing certain repairs on a vehicle under certain circumstances; requires a manufacturer to provide compensation to dealers under certain circumstances.**
- A licensee (manufacturer, distributor, or factory branch) may not prohibit a dealer from, or take any adverse actions against a dealer for providing to a customer information that was given to the dealer by the manufacturer related to any condition that may substantially affect the safety, durability, reliability, or performance of the motor vehicle.
- The dealer may only provide this information to a customer who has:
 - Purchased the vehicle for which the information pertains from the dealer, or
 - Had the vehicle for which the information pertains serviced by the dealer.
- A licensee may not deny a claim, reduce the amount of compensation to a dealer, or process a charge back to a dealer for performing covered warranty or recall repairs on a vehicle:
 - For resolving a condition covered by the original warranty; remedying a safety-related defect subject to an outstanding recall under federal law;
 - If the dealer properly performed the repairs and submitted the claims; or
 - If the dealer discovered the need for repairs during the course of a separate repair requested by the customer; or
 - Through notice of an outstanding recall under federal law for a safety related defect.
- If a Licensee issues a stop sale directive for a used vehicle manufactured by the licensee, to a dealer that holds a franchise from the licensee, and there are no remedies or parts available to fix the motor vehicle, the licensee shall compensate the dealer by:
 - Providing payments to the dealer of at least 1 percent of the value of the vehicle per month, or portion of a month; or
 - Compensate the dealer under a national program applicable to all dealers holding a franchise from the licensee, for the dealers costs associated with the stop sale directive.
- **Effective October 1, 2016**

HB675 VEHICLE LAWS - MECHANICAL REPAIR CONTRACTS

- **This bill alters the definition of “mechanical repair contract” to encompass any agreement or contract sold by an “agent.” An agent is defined as a business entity that is authorized by an obligor or a licensed vehicle dealer to sell a mechanical repair contract. The bill also makes a clarifying and conforming change to allow an agent – as well as an employee of a licensed vehicle dealer, agent, or registered obligor – to offer, sell, or negotiate a mechanical repair contract. An obligor or a licensed vehicle dealer is liable for the actions of its agent when the agent is offering or selling a mechanical repair contract on its behalf.**
- An obligor or a licensed vehicle dealer that uses an agent to sell mechanical repair contracts must maintain a list of its agents and make the list available to the Insurance Commissioner on request. Likewise, an agent must maintain a list of the names of each employee authorized to sell mechanical repair contracts and, on request, provide this list to its obligor or licensed vehicle dealer within 10 business days from receipt of the request.
- The bill increases the maximum misdemeanor fine that may be imposed for unauthorized sales of mechanical repair contracts from \$1,000 to \$5,000. The bill also authorizes the Insurance Commissioner to impose a civil penalty of at least \$100 but no more than \$5,000 for each violation of provisions relating to mechanical repair contracts committed by an agent or the agent's employee while offering or selling a repair contract on behalf of a registered obligor.
- **Effective October 1, 2016**

HB720 / SB544 MOTOR VEHICLE INSURANCE – INSURANCE IDENTIFICATION CARD – CARRYING PROOF OF COVERAGE – UNINSURED MOTORIST EDUCATION AND ENFORCEMENT FUND

- **For the purpose of requiring insurers to provide insurance identification cards to insureds at certain times and allowing the insurance identification card to be produced in electronic format. Requiring operators of a motor vehicles to possess/carry the required insurance identification card as evidence of the required security; providing a fine for failure to possess the required security;, and allow for waiver or delay of the fine. This bill establishes the Uninsured Motorist Education and Enforcement Fund.**
- An insurer issuing, selling or delivering a motor vehicle liability insurance policy in this State must provide an insured with an “insurance identification card” when the policy is first issued and with each renewal. The card must contain:
 - The first named insured on the motor vehicle insurance policy;
 - The motor vehicle covered under the policy; and
 - The period of time the policy is in effect.
 - If both the insurer and the insured consent, the card may be produced in an “electronic format”, which include the display of an electronic image on a cellular phone or any other portable electronic device.
- The operator of a motor vehicle required to be registered in the State, must:
 - Be in possession of, or carry in the motor vehicle, evidence of the required security for the motor vehicle when operating the vehicle in this State; and
 - Present evidence of the required security when requested by law enforcement.
- A person in violation of these requirements is subject to a fine of \$50.00 which is deposited into the Uninsured Motorist Education and Enforcement Fund.
- The purpose of the fund is to educate operators about the requirements of security (insurance) for motor vehicles, as well as the enforcement of these requirements under Maryland Vehicle Law.
- **Effective October 1, 2016**

HB986 VEHICLE LAWS - TRADE-IN ALLOWANCE - LEASED VEHICLES

- **This bill alters the definition of “total purchase price” to exclude from computation the trade-in allowance for a leased vehicle under certain circumstances.**
- A trade in allowance may be deducted from the retail price of a vehicle as, certified by a dealer, when calculating the “total purchase price” if a person is trading in a leased vehicle:
 - To enter another lease for a period of more than 180 consecutive days, with a different leasing company, or
 - To purchase a vehicle
- The total purchase price must also include the dealer processing fee with no allowance for other nonmonetary consideration.
- A vehicle owner(s) may continue to trade- in a vehicle in their individual name(s) to enter into a lease agreement where they are the lessee and receive deduction for the trade-in amount; and may continue to trade-in a leased vehicle if they are entering into another lease with the same leasing company.
- **Effective October 1, 2016**

HB1179 VEHICLE LAWS - HOV LANES - PLUG-IN ELECTRIC DRIVE AND HYBRID VEHICLES

- **This bill will extend the issuance of High Occupancy Vehicle (HOV) permits to Hybrid vehicles as described in §25-108 of Maryland Vehicle Law. Currently these permits are only issued to plug-in electric vehicles. This permit allows these hybrid vehicles to operate in an HOV lane on Route 50 only as specified below, even if there is only one passenger.**
- The use of HOV permits will be extended to qualified Hybrid vehicles, with the use restricted to the portion of Route 50 designated as an HOV lane, between Interstate 95/Interstate 495 and US route 301.
- In order to use the HOV lanes on Route 50 the qualified hybrid vehicles must display the HOV HYBRID PERMIT on the rear of the vehicle in a visible position within 12 inches of the license plate, but not on the window.
- The HOV Hybrid and Plug-in Electric permits may only be ordered from the MVA WEB or KIOSK.
- The fee for both permits is \$5.00.
- Once ordered the permits will be processed through Central Issuance.
- These permits “will not” be available at full service branch offices, and they “will not” be available at Maryland dealerships.
- Substitute permits will also be available, if needed, through the MVA WEB and KOISK for a fee of \$5.00.
- The bill also extends the use of the HOV Plug-in Electric Vehicle permits until September 30, 2018. Plug in electric vehicles may continue to use their permits on any HOV lane in the State of Maryland.
- **Effective October 1, 2016**

COMING SOON

- Perpetual Inventory Management System (PICS)
- Secure Emails
- ERT Soundex Electronic Mailbox
- Updated ERT Transactions

PERPETUAL INVENTORY MANAGEMENT SYSTEM (PICS)

The Motor Vehicle Administration (MVA) is pleased to announce the implementation of our Perpetual Inventory Management System (PICS).

- PICS is a hosted, web-based system that shall allow tracking and reporting on license plates and place requisitions for low-stock items based on real time stock level reports.
- For dealerships the user interface will not change. You should continue to enter delivered plates into your current ERT Vendor system when they arrive. The ERT Vendor will communicate the delivery of the tags to the PICS system.
- If the inventory entered does not match what has been transferred to you the system will display an error message indicating the box was not designated for your dealership
- Once you issue a license plate to a customer, the system will verify the plate is in your inventory. If the plate is not in your inventory the system will display an error message indicating the tag number was invalid. Please check the tag number and re-enter it into the ERT Vendor system.
- More information coming soon

SECURE EMAIL MESSAGE

- In order to protect an individual's Personally Identifiable Information (PII), MVA will require secure email messages. This is to encrypt data in email messages or attachments being sent from and to, the MVA.
- In the very near future you will be required to establish a secure email gateway, before sending any confidential PII data.
- This process will be used for the request of Soundex numbers.
- An email will be sent from us letting you know you have a secure email message. You will be required to establish a password.
- After completing this process and establishing your new secure, encrypted connection, you may send emails with confidential PII data to the MVA.
- More information coming soon

ERT SOUNDEX REQUEST - UPDATE

Requirements



- Copy of the individuals out-of-state driver's license. We can only accept drivers license for the continental United States, Guam, Puerto Rico, and U.S. territories.
- Copy of the VR-5 with the customer's name (i.e. full first, middle and last name), date of birth and Maryland address
- Documents can now be sent via email to the following mailbox ERTsoundex@mva.maryland.gov or they can be faxed to the ERT unit at (410) 424-3629 or (410) 768-7070 and it must contain a coversheet including the sender's name and telephone number.
- Depending on the number of request, it could take 48 to 72 hours.

The ERT Unit will contact you via email when the soundex has been issued

UPDATED ERT TRANSACTIONS

- Tag Transfer(TT) and Tag Transfer with Renewal (TR)
 - is the registration transaction for the transfer of plates from a vehicle to a newly acquired vehicle already titled in the state.

RECENT BULLETINS

- Maryland's NEW Secure Driver's License and ID Card
- Registration Fee
- New plate \ Transfers

MARYLAND'S NEW SECURE DRIVER'S LICENSE AND ID CARD

- The Maryland Motor Vehicle Administration (MVA) has totally redesigned the driver's license, learner's permit and identification (ID) card to help protect against identify theft and counterfeiting.
- Beginning on June 20, 2016, the MVA will begin issuing the new secure cards for all learner's permits and new ID cards, and for licenses/ID cards renewed via web, kiosk and U.S. mail.
- On July 11, 2016, everyone applying for a new driver's license, learner's permit and ID card will receive the new, more secure card.
- Maryland last updated the driver's license and ID card in 2003 and the old technology is vulnerable to counterfeiting and fraud. Maryland's new cards meet state and federal standards and are one of the most secure in the country.
- To further protect personal information, the new cards will printed and mailed from a high-security MVA facility. Customers will receive their new cards in the mail within 7 to 10 business days. The new cards will not be issued over the counter at an MVA branch office.
- After a customer completes their transaction with the MVA, they will keep their existing card (if they have one) and receive an interim document (receipt), which is valid for 30 days.
- In order to assist your customers, you may accept this interim document, along with their expired driver's license, to process their transactions.
- Please make sure you have the correct address when processing or submitting a transaction for your customer to ensure future products issued by the MVA are received.
- The Salesmen IDs also will be centrally issued and mailed directly to the licensed location beginning July 11, 2016. Please promptly apply for your new license to ensure timely delivery.

MARYLAND **PROTECTED** | MARYLAND **PROUD**

Introducing NEW Secure Driver's License and ID Card

For more information visit
our website:

MVA.MARYLAND.GOV



SAFE



SECURE



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REGISTRATION FEES

- It has come to the attention of the Business Licensing Division through audits that registration fees being charged are incorrect.
- As a reminder to all dealers, the dealers' buyers order must show the exact same fees as the fees reflected on the transaction receipt from MVA and the vendor's software.
- If your system defaults to the higher registration fee, please contact your vendor immediately to resolve this issue.
- The fees collected from the customer should be accurate and compared to the buyer's order before submitting the transaction electronically or by walking in to a local field office.
- If a customer is overcharged, the additional fees should be refunded immediately.
- Current list of registration fees may be found on our website <http://www.mva.maryland.gov/vehicles/registration/fees.htm>

NEW PLATE \ TRANSFERS

- It has been brought to our attention that vehicle operators have received tickets for driving an unregistered motor vehicle when displaying permanent Maryland plates.
- In order to assist your customers and prevent road side issues, please finalize new plate or registration transfer transactions as soon as possible to ensure the MVA database will be updated with the correct vehicle information.
- Law enforcement notification:
 - The Maryland Motor Vehicle Administration (MVA) has three (3) vendors that perform Electronic Registration & Titling (ERT). The systems allow our licensed Dealers and Tag & Title Services to electronically process title and registration transactions. These transactions may not show on the MVA system for up to thirty (30) days. The driver of the vehicle will have in their possession a valid registration issued by an ERT participant that reflects the owner, vehicle information and the tag number. Please consider these vehicles properly registered.



WE WANT YOU TO KNOW



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eFR-19 Insurance
Agent Login



Salvage Certificate

Interactive Title &
Registration
Manual

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Licensed Maryland
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Services

- FIRST driver / learner / moped / license or ID, Card? Schedule An Appointment
- Schedule a Test/Retest
- What to Bring to the MVA for a Driver's License or ID Card
- Lo que debe traer a la MVA para una Licencia de Conducir or Tarjeta de Identificación
- Test Yourself! Sample Driver's Test
- MVA Fees

GET THE TOOLS TO HELP YOU PASS THE TEST

CLICK **HERE** TO:

- Download the MD Practice Driving Test App
- Take the Knowledge Test Tutorial
- Read the Maryland Driver Manual

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Electronic Lien Services (ELS)



The Maryland Motor Vehicle Administration (MVA) is pleased to inform lien holders of the opportunity to contract with specified vendors for Electronic Lien Services (ELS). By signing up with a vendor, you receive electronic notifications of liens recorded on your behalf on Maryland titles, and submit lien releases electronically to the vendor for submission to the MVA.

To contract with a vendor for ELS Service and or apply for a lien code please use the following form and contact the vendor of your choice below.

➔ [Application for Lien Code Assignment and/or Enrollment/Change in Electronic Lien System](#) 
(Form VR-466)

Please email completed forms to mvaelsinfo@mdot.state.md.us  or
fax to Central Liens at 410-768-7594.



Application for Lien Code Assignment and/or Enrollment/Change in Electronic Lien System

This form is to be used by financial institutions and other lien holders to enroll in the Maryland Motor Vehicle Administration's (MVA) Electronic Lien System (ELS), or to modify an ELS account with MVA. This form is also used to request a lien code.

A ACTION REQUESTED – To Be Completed By Financial Institution/Lien holder

This application is for (check appropriate box/boxes):

- ☐ Lien code assignment (Complete section B)
- ☐ Enrollment in ELS Program – (Complete sections B and C)
- ☐ Change of Vendor/Service Provider – (Complete sections B and C)
- ☐ Removal from ELS Program – (Complete sections B and C)
- ☐ Change of Financial Institution/Lien holder Name – (Complete section B)
- ☐ Change of Financial Institution Address – (Complete section B)

B LIEN HOLDER INFORMATION – To Be Completed By Financial Institution/Lien holder

Name of Financial Institution/Lien holder		FEIN		ABA Number
Address		City or Town	State	Zip Code
				LIEN CODE (if already assigned)
Name of Authorized Representative: (please print)		Capacity:	Signature of Authorized Representative below:	
Email Address:	Telephone Number:	Date:	MVA USE ONLY	
			Lien code assigned _____ Date _____	
Name of ELS Vendor/Service Provider:			Signature	
			Operator # _____	

C ELS VENDOR/SERVICE PROVIDER AUTHORIZATION – To Be Completed By ELS Vendor/Service Provider

ELS Contract Authorized By: (Printed Name)		(Signature)	Capacity
Email Address of Contact Person:	Telephone Number:	Enrollment/Removal Date:	
		<input type="checkbox"/> Start <input type="checkbox"/> End	

- Financial Institutions must complete Sections A and B, then forward this form to the selected vendor/service provider.
- This completed application must be submitted to the MVA by the authorized ELS vendor/service provider named in Section C, unless this request is for an assigned lien code only. Please email completed forms to mvaelsinfo@mdot.state.md.us or fax to Central Liens at 410-768-7594.

Participating lien holders agree to the following conditions and requirements:

- The lien holder must contract with one of MVA's approved ELS service providers for transmission of all vehicle and title data.
- The lien holder must provide the lien code assigned by MVA, to all loan recipients and automotive dealers utilizing selected lien holder services.
- The lien holder must work directly with the contracted service provider's Help Desk to resolve all ELS discrepancies and data transmission issues.
- The lien holder must protect the confidentiality of the information and data to which the lien holder has access. At no time will the lien holder furnish to any person, association or organization any vehicle or title data received from MVA without MVA's prior written consent.
- The lien holder has no proprietary rights to the information received from the MVA.
- The lien holder understands that MVA and its employees shall not be liable to the lien holder for any damages, costs, lost production or any other loss of any kind for failure of MVA's equipment, hardware or software, or for the loss of consequential damages that are the result of any other type of failure.
- Authorization may be terminated by either party upon giving 30 days written notice to the other party. In the event of termination, MVA is released from any and all obligations to the lien holder.



DEPARTMENT OF TRANSPORTATION MOTOR VEHICLE ADMINISTRATION



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Bulletins



Please [subscribe](#) to receive the Dealer Bulletins via email.



▼ Dealer Bulletins

- June 2, 2016 Legislation
- May 10, Maryland's NEW Secure Driver's License and ID Card
- May 6, 2016 - Trade-in Allowance and Registration Fees
- April 7, 2016 - New PlateTag/Transfers
- February 19, 2016-Excise Tax Credit Request for Plug-In Electric Vehicles
- February 2, 2016 -StateRight of Way
- December 16, 2016 - Fee Changes
- November 3, 2015 - Inspections for Historic Vehicles
- October 6, 2015 - IRP Registration
- September 14, 2015 - Trailer Titling
- August 18, 2015 - New Electronic Inspection Report
- July 15, 2015 - Collection of Excise Tax
- June 23, 2015 - New Z Soundex Number Issuance for Business Entity
- May 27, 2015 - Legislative
- April 30, 2015 - Trade Vehicle
- April 6, 2015- Clarification on March 19th, 2015 Excise Tax Credit
- March 19, 2015- Excise Tax Credit Request for Plug-In Electric Vehicles
- January 6, 2015- Plate Defacing-Return Tags
- October 14, 2014 - Title Transactions
- September 22, 2014 - Title Transactions
- August 25, 2014 - Employee Identification
- August 15, 2014 - Vehicle Shows
- June 27, 2014 - Legislation

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Subscribe to MVA Dealer Bulletins



If you would like to receive MVA Dealer Bulletins via e-mail from the Maryland Motor Vehicle Administration (MVA), please enter the requested information below. The MVA will not share your information and will only use it to send you important MVA Dealer Bulletins.

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Please complete the form below to sign up for this mailing list. To update or cancel current subscriptions, use the link below.

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INTERACTIVE TITLE AND REGISTRATION MANUAL

**AVAILABLE ON MVA'S WEBSITE
WWW.MVA.MARYLAND.GOV**



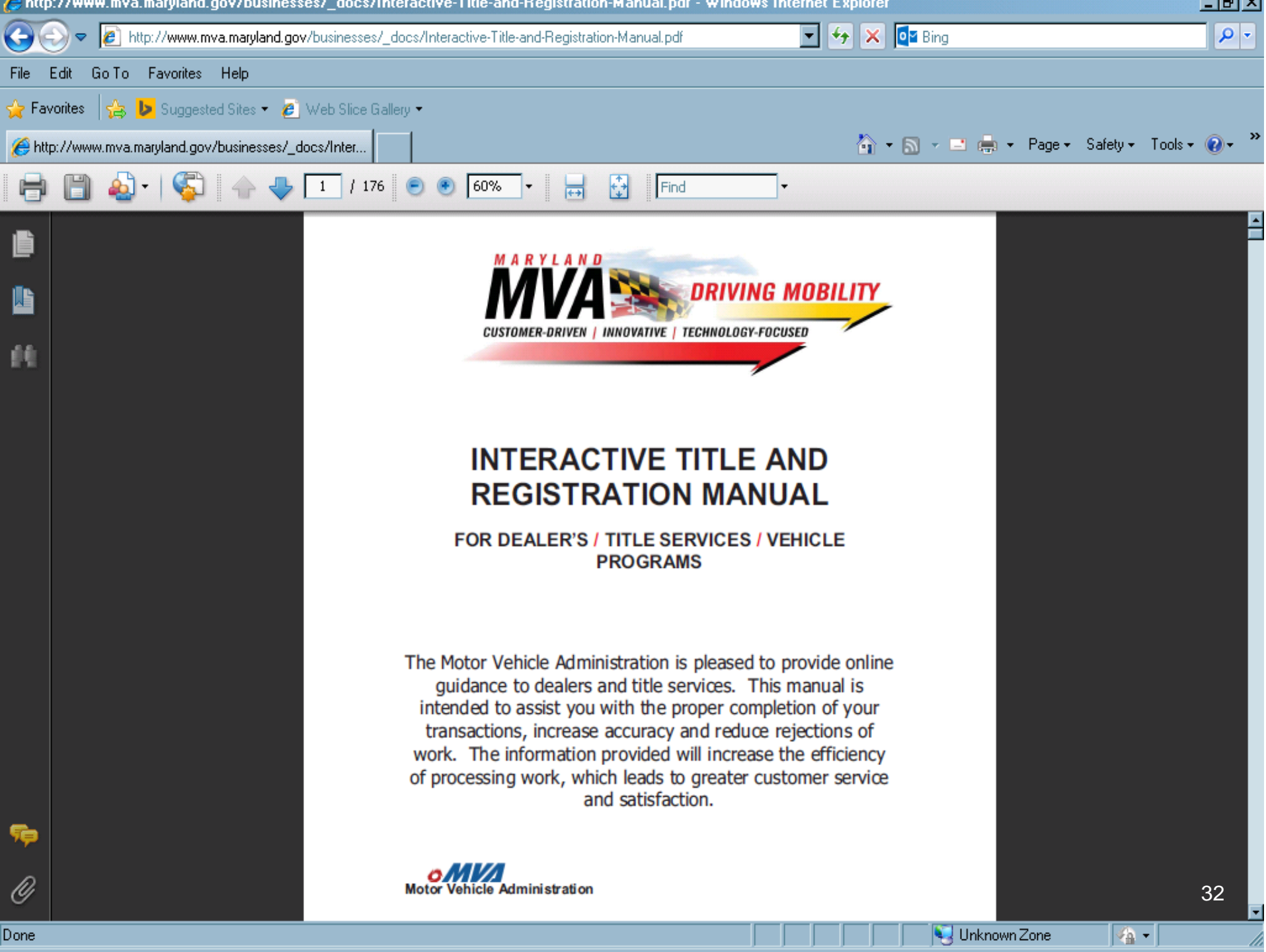
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Will be mailed to the customer and
no longer issued directly over the counter



LATE PENDING TRANSACTIONS

- Procedures include:
 - Contacting dealers with late transactions by email.
 - Send letters to principal owner(s) if the transactions are not completed after the timeframe given in the initial contact.
 - In some cases the transactions may be transmitted without funds and funds may be requested from the bonding company.
 - In extreme cases we may remove you from ERT.

Submitting Title Work

****FROM TOP TO BOTTOM****

Bundle Report should be on top of all title records

Maryland MVA Title/Registration Receipt

Registration card (if tag transferred)

Application for Certificate of Title (VR-005)

Certificate of Origin, Title, or other acceptable ownership document

Lien Release-Notice of Security Interest Filing

Dealer Reassignments

Bill of Sale/Gift Form

Miscellaneous MVA Forms

Odometer Disclosure Statements (VR-197)

Maryland Safety Inspection Certificate

Vehicle Emission Report (if submitted)

Please assemble forms in proper order

Do not fold forms

Do not use an excessive number of staples

Do not use highlighters



Should be mailed or delivered to the Glen Burnie Branch Office Room 202

ERT Workflow

This is a internal operations program that is designed to systematically check for missing documents and data related to title work transactions.

Categories:

- ➡ Data transmitted with no paperwork received
- ➡ Paperwork received and no data transmitted
- ➡ Omitted Documents
- ➡ Excise Tax

You will be receiving letters from your ERT representative requesting that missing documents or data be submitted. It is very important that you respond to this letter. If you receive letters in error contact your representative immediately.

ERT Transaction Reminders

- ➡ Proper fees should always be collected.
- ➡ Transmitting with the correct vin#.
- ➡ Record the correct lien information in the vendor system before completing the transaction.
- ➡ Record the correct mileage and date of inspection.
- ➡ Title registration receipts must be included with all titling paperwork.
- ➡ Please ensure when selecting the insurance provider, the correct insurance company is selected.



HOW TO AVOID REJECTIONS & LETTERS

- Please be sure:
 - Forms are completed in their entirety
 - Ownership documents
 - Lien releases
 - All required signatures are in place
 - Full name is provided
 - Inspection certificate is submitted if not performed electronically
 - Mileage recorded is correct
 - Power of attorneys are present
 - Sale price and date of sale are included
 - Full name of the insurance company is provided –
 - Proper fees are collected
 - Assignments are fully completed to show chain of custody of the vehicle
 - Copies of customer's license and business license are attached

Dealership Records

Dealership records regarding purchases, sales, transfers of ownership, collection of excise tax, titling and registration fees, issuance of 60-day registration plates, and permits and listings of permanent dealer registration plates assigned to the dealership, must be maintained on the premises and open for inspection by authorized representatives of the Administration and law enforcement agencies during normal business hours. All records of the dealership can either be preserved in original form or in an electronic format for a period of 3 years unless the Administration in writing consents to the destruction within that period, or, by order, requires they be kept for a longer period.

A dealer is also required to maintain records for each untitled vehicle in the dealer's inventory while the vehicle is in the possession of prospective retail customers. The records should document each prospective retail customer of the vehicle; and the beginning and ending odometer reading of the vehicle for the period each prospective retail customer had possession of the vehicle. Dealership records regarding purchases, sales, or transfers of ownership with dealerships or their agents licensed to do business in Maryland or other jurisdictions must contain the identity of the dealer or agent and a copy or copies of information which verifies the dealer or agent is properly licensed in Maryland or any other jurisdiction.

Federal Regulations require odometer mileage retention for a period of five (5) years.

DEALER'S DUPLICATE TITLE

MVA Motor Vehicle Administration
6601 Ritchie Highway, N.E.
Glen Burnie, Maryland 21062



VR-003 (01-13)

Application for Dealer's Duplicate Certificate of Ownership

(Fee - \$20.00)

Please print information in ink

Instructions to Dealer: Please use this form only when the original certificate of ownership has not been delivered to the dealership and/or the registered owner of the vehicle has not obtained a duplicate title if the original has been lost, destroyed, altered, mutilated, or misassigned.

This application will not be accepted if submitted within 10 days of the transaction. Attach to this application copies of the vehicle buyer's order, identifying the vehicle as a trade-in, and the odometer mileage statement signed by the currently registered owner of the vehicle. The duplicate title will be mailed to the dealership and will indicate current mileage. **A COPY OF THE OWNER(S) VALID DRIVER'S LICENSE OR STATE ISSUED I.D.(S) IS REQUIRED.**

Registered Owner: A copy of this application will be mailed to you. When you receive it, please check it carefully. If any information is incorrect or has been altered, please contact the MVA's Licensing and Consumer Services Division at (410) 768-7421.

Check reason: ☐ Lost ☐ Destroyed ☐ Altered ☐ Mutilated ☐ Misassigned ☐ Returned to State (must attach the previous state's title)
Other _____

I certify to the best of my knowledge that the odometer reading is the actual mileage of the vehicle unless one of the following statements is checked.

_____ (no tenths)
odometer reading ☐ 1. The mileage stated is in excess of its mechanical limits.
☐ 2. The odometer reading is not the actual mileage.

Warning- Odometer Discrepancy

Original Amount of Lien (If no lien write "none" or if lien is satisfied, please attach the lien release)	Date of Lien	Kind of Lien
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Name of Secured Party (Bank, Finance Company, etc.)

Address of Secured Party

Current Maryland Title Number	Tag Number	Make	Year	Vehicle Identification Number
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Applicant's First Name	Middle	Last	Co-Applicant's First Name	Middle	Last
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Applicant's Driver's License Number	Date of Birth	Co-Applicant's Driver's License Number	Date of Birth
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Applicant's Street Address	City	County	State	Zip Code
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I/we certify, under penalty of perjury, that the statements made are true and correct, to the best of my/our knowledge, information and belief.

This _____ day of _____ (year) _____.

Owner's Signature _____ Co-Owner's Signature _____

(Must be signed personally by the owner; if joint ownership, signature of each party must appear; if the owner is a business entity, the person legally authorized to sign must state their capacity after their signature.)

Checks or money orders for the application fee, are to be made payable to the MVA. Please include on check: imprinted name and address, driver's license number, and home and/or work phone number. Send application with fee to:
Motor Vehicle Administration, 6601 Ritchie Highway, N.E., Glen Burnie, Maryland 21062.

Name of Dealership duplicate title is to be mailed to _____ Address _____

Printed Name of Dealer's Authorized Agent _____ Signature _____

For MVA use only

Record examined and issuance approved by: _____ ☐ OK to issue and show lien ☐ OK to issue without lien (identification provided)

Type of Identification provided: _____

Method of Payment: ☐ C ☐ CK ☐ CC ☐ CV

White Copy - MVA

Canary Copy - Customer

Pink Copy - Dealer Licensing **39**

For more information, please call: **410-768-7000** (to speak with a customer service representative).
TTY for the hearing impaired: **1-800-492-4575**. Visit our website at: **www.MVA.Maryland.gov**

➤ Use this form only
when:

- Owner(s) traded a vehicle in and has not provided a MD title

➤ Attach to this
application copies of:

- Vehicle Buyer's Order
- Odometer Mileage Statement
- Owner(s) Valid Driver's License or State I.D.(s)

APPLICATION FOR DUPLICATE TITLE



VR-018 (12-13)

Application for Duplicate Certificate of Title

Fee: \$20.00

A DUPLICATE TITLE MAY BE REQUESTED:

- Online through the MVA's website at www.mva.maryland.gov. Duplicate titles ordered online may be mailed to an alternate address at the owner's request. Mailing instructions are provided in the online application.
- At a KIOSK located at MVA's Full and Express Offices. Duplicate title ordered may be mailed to an alternate address.
- At a tag and title service licensed by the MVA. A copy of the valid state issued identification must be submitted by the applicant along with the application.
- At all full service MVA branch offices and mailed the next business day to the address on record with the MVA. A copy of the owner(s) valid driver's license or state issued I.D.(s) must accompany this form. Titles may not be mailed to an alternate address.

Reason for Request (please check one):

☐ Lost ☐ Destroyed ☐ Altered ☐ Mutilated ☐ Misassigned ☐ Returned to State ☐ Other _____

The altered, mutilated, or misassigned title is required when making an application for a duplicate. The out-of-state title is required if the original Maryland title was surrendered to another state.

Name of Secured Party

(Bank, Finance Company, Etc.) _____

Address of Secured Party _____

Current Maryland Title # _____ Make of Vehicle _____ Model Year _____

Vehicle Identification Number _____

Owner's First Name _____ Middle _____ Last _____

Driver's License # _____ Date of Birth _____

Co-Owner's First Name _____ Middle _____ Last _____

Co-Owner's Driver's License # _____ Date of Birth _____

Current Resident Address _____

City _____ State _____ Zip Code _____

☐ Please check here if this is a new address.

I/we certify, under penalty of perjury, that the statements made herein are true and correct, to the best of my/our knowledge, information, and belief.

This _____ day of _____ year _____

Owner's Signature _____ Co-Owner's Signature _____

This application requires the signature of the owner(s).

- If jointly owned, all owners signatures are required.
- If the owner is a business entity, the person legally authorized to sign must state their capacity after their signature.
- If the owner is a trust, the trustee must sign and state their capacity.

Penalty for falsifying this application for a title or registration is punishable by a fine up to \$1,000.

Additional Instructions:

- This application must be accompanied by a copy of the valid state issued identification(s) of the vehicle owner(s) and any person presenting the application.
- The personal representative or legal heir of a deceased owner is required to submit letters of administration.
- If the vehicle is jointly owned by spouses and one is deceased, the surviving spouse is not required to include a certified copy of the death certificate if they have a "Reported Deceased" notice (Form VR-278) or a decedents letter (Form VR-264P) from the MVA.
- A bankruptcy trustee is required to attach a copy of their appointment by the court.

Important: This Section can only be used if the lien(s) are over seven (7) years old and have been satisfied.

"I hereby certify, under penalty of perjury, that the above referenced vehicle lien has been satisfied in full.

I further certify that in the event a lien or lienholder is later determined to exist, I will make full restitution to the lienholder and furnish the lien release to the Motor Vehicle Administration (MVA). I further certify that I will defend, indemnify and hold the MVA harmless against any claim from a lienholder or lien as a result of this title being issued."

Owner's Signature _____ Date _____ Co-owner's Signature _____ Date _____

For MVA use only

Supervisor approval: _____ ☐ Copy of I.D. attached

Reason for approval: _____

For more information, please call: 410-768-7000 (to speak with a customer agent).
TTY for the hearing impaired: 1-800-492-4575. Visit our website at: www.MVA.Maryland.gov

➤ Attach to this application copies of:

- Registration Receipt

EXCISE TAX

- Retail Purchase Price
- Shipping or Freight Charges
- After Manufacture Items Included With The Vehicle At Time of Purchase
- Manufacturer Rebates
- Full Amount Charged for Processing Fee by Dealer

Taxable Items

- Dealer Discounts or Rebates
- Extended Warranties
- Mechanical Repair Contracts
- Federal Excise Tax
- Electronic Registration Fee
- Trade-in Allowance
- Equipment installed to accommodate a disabled person

Non-Taxable Items

WHAT ERT DEALERS “CAN” DO & “CAN’T” DO





WHAT TRANSACTIONS “CAN” ERT DEALERS PROCESS ELECTRONICALLY?

- New title and tags (T1)
- New title and transfer of tags (T2)
- New title and transfer with renewal of tags (T3)
- New title only (T5)
- Title for ATV's-Need to use Class D, enter NR in the inspection field and enter AT for body style.
- New tag registration (NR)
- Standard renewal (SR)
- Replacement tag renewal (RT)
- Substitute tags (ST)
- Duplicate registration (DU)
- Duplicate title, Form VR-018 (DT) (Transmit only)
- Duplicate title, Form VR-003 (Transmit only)
- Administrative Flag fee (AF)
- Can utilize mailing address, mail address shows on title
- Soundex issuance with proper documents must fax Driver License, ID card, Military ID from this country with Driver License to MVA ERT Unit (otherwise transaction needs to be submitted to the MVA Branch Office)
- Tag return
- Transfer tags (TT) after it's been titled
- Transfer with renewal (TR) after it's been titled



WHAT TRANSACTIONS “CANNOT” BE PROCESSED BY ERT DEALERS

- No salvage transactions
- No branding of titles (can only brand for *CAL LEV*, Leased Vehicles and odometer A, B or C) A TITLE REQUIRING ANY OTHER BRAND “MUST” BE TAKEN TO THE MVA FOR PROCESSING.
- No VIN plate assignment
- No new issuance of personalized or organizational tags, only transfer of personalized or organizational tags
- No taxi (class B), no limousine (class Q), no ambulance/funeral (class C)
- No state and local government (not new or transfer)
- No law enforcement
- No tax exempt for business (mergers, reorganizations, newly formed, dissolutions)
- No tax exempt –individual transferring to intervivos trust
- No excise tax credit for new residents
- No out of country- (gray market vehicles)
- No registration correction (RC)

AUDITING



DEALER AUDIT TIDBITS

- Dealer processing fees not included in taxable selling price (30%)
- Overcharging of registration fees in more than 60% of audits.
- Selling price discrepancies, error, and minimum selling price. (25%)
- Itemized fees to clearly label registration fees, lien fees, electronic fees, etc. (35%)
- Sales persons must have active license to sell vehicles. (few audits)
- Inspection Lateness (25%) of audits.
- Title lateness (15%) this was improved from 35% as of fall 2015 seminar.
- Salvage vehicle brand. (few audits)
- Title Services taking the 0.6 credit.



DEALER AUDIT TIDBITS



Temporary Tags

- Only 1 temporary registration certificate can be issued to any individual for same vehicle. No temporary registration certificate can be issued for a courtesy delivery. Dealers should keep some kind of record denoting which temporary tags were issued.

Inspection Certificate/ Form

- A used vehicle should be inspected on or before the date of delivery.
- Inspection certificates are valid for six months from date of inspection or until 1,000 miles have been added to the odometer.



DEALER AUDIT TIDBITS

ERT Sticker & Tag Accountability

- During our routine audits and ERT audits we might visit your dealerships and attempt to account for one or a series of metal plates and or stickers. All sensitive items should be accounted for. The dealership should have a log or ledger or perpetual records whichever best suits the dealership. Any stolen sticker or tag should be reported to the ERT Unit, Business Licensing & your local Law Enforcement. Voided inventory should be documented properly and retained for audit purposes.
- In some instances registration materials are kept locked but all business employees have access to the secured areas. Keep access limited to necessary employees only.



Taxable Selling Price

- The dealer processing fee is not mandatory and can be up to \$300.00. This fee is taxable and should be included in the taxable selling price. This dealer-processing fee should be clearly identified and not included as a lump sum on the dealer's buyer's orders and sales invoices. For out of state dealers, there is no limit to the dealer processing fee, however, the whole amount should be included in the taxable selling price.

DEALER AUDIT TIDBITS

Taxable Selling Price Continued

- Manufacturer's rebates are taxable and should be included in taxable selling price.
- Internal Auditing is mandated by the Legislative Auditors to expand dealership audits that have excise tax due based on numerous instances or fraud.

Trade-Ins per Comar 11.15.33.05

- The amount of the trade-in allowance that is deducted from the purchase price may not exceed the trade-in value indicated in the national publication of used car values adopted for use by the Administration. If the dealer has any documentation to substantiate the higher trade in value, they should provide this to the auditor.
- The trade-in allowance shall be limited to the vehicle with the highest trade-in value.
- A trade-in allowance may not be divided or deducted from the purchase price of more than one vehicle.
- Check proof of ownership of trade-in vehicle.



QUESTIONS AND ANSWERS

1. What is the correct procedure if the name is too long to fit on the registration card?

When a Soundex or Driver's license has been issued, the MVA system uses a process that will truncate the customer's name which should be used when registering vehicles in Maryland.

2. We know that any company needs a business license now. Does the business license have to be issued from the state of Maryland?

No, a copy of the business license from any state maybe used as one of the source documents to validate the legal existence of a business. As a good practice, it is suggested to search the business on the world wide web or any other source to validate if it is an actual existing business.

3. Can the War of 1812 plates be transferred between classes?

No, the War of 1812 plates may not be transferred between classes. The plates may be repurchased between classes. The registration fee for the new vehicle including the surcharge must be remitted. A new month and year sticker will be issued to be affixed to the plate.

4. What exactly is the purpose of the VR-279, POA?

STATE OF MARYLAND, POWER OF ATTORNEY FOR ODOMETER DISCLOSURE OF A MOTOR VEHICLE (FORM VR-279) is used when a vehicle titled in another state is traded-in to a Maryland dealer, and the title is in the possession of a lien holder; or a duplicate title is needed. Once the title is received from the lien holder or the duplicate title is received, this power of attorney allows the dealer to disclose the mileage and complete the assignment of ownership. All three sections of this form must be completed. Please note: This form is only available through the Maryland Automobile Dealers Association (MADA) <http://mdauto.org/> or the Maryland Independent Automobile Dealers Association (MIADA) <http://miada-diada.com/forms.cfm>.